GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:306
ANSWERED ON:18.07.2017
Food Processing Units in Jammu and Kashmir
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has worked out any action plan for promoting and processing of the dry fruits and fruits in Jammu and Kashmir;

(b) if so, the details thereof;

(c) Whether the Government proposes to provide any subsidy for setting up food processing units for dry fruits and fruits; and

(d) if so, the details thereof?

Answer

(a) to (b): For promoting and processing of agricultural and horticultural produce including the dry fruits and fruits in all States in the country, the Ministry of Food Processing Industries had implemented a Scheme namely Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries. The said scheme is, however, now delinked from Government of India's assistance w.e.f. 01.04.2015 except UTs. The said scheme for UT Governments also got delinked from Government of India's assistance w.e.f. 2016-17 onwards.

Under this scheme, the Ministry had provided financial assistance in the form of grants-in-aid to entrepreneurs for setting up, technology upgradation and modernization of food processing industries, which also included industries involved in processing of dry fruits and fruits in all States/UTs including Jammu and Kashmir.

The quantum of financial assistance admissible under the scheme was at the rate of 25% of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in case of General areas and for difficult areas including Jammu & Kashmir, the same was at rate of 33.33% of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 75 lakhs.

As a part of the Committed/Spillover liabilities of 11th Plan period, Ministry of Food Processing Industries has been releasing grant-in-aid during the 12th Plan period and now also to the eligible industries under the Scheme for Technology Upgradation/Establishment /Modernization of Food Processing Industries, which include industries involved in processing of dry fruits and fruits.

The details regarding food processing units, including units involved in processing of dry fruits and fruits, assisted in Jammu and Kashmir under Fruit & Vegetable Sector of the said scheme during last two years, are shown below:

2015-16		2016-17	
No. of cases sanctioned	Amount (in Cr.)	No. of cases sanctioned	Amount (in Cr.)
2	0.53	2	0.82

(c) to (d): The Government of India has approved a new Central Sector Scheme namely − KISAN SAMPADA YOJANA (KSY) for the period 2016-20 coterminous with the 14th Finance Commission cycle to be implemented by Ministry of Food Processing Industries. Under KSY, a new Scheme is for Creation/Expansion of Food Processing and Preservation Capacities (CEFPPC). This scheme envisages release of financial assistance in the form of grants-in-aid to food processing units, which include the units involved in processing of dry fruits and fruits under Fruit and Vegetable Processing Sector. The quantum of assistance eligible under this scheme is 35% of the eligible project cost subject to a maximum of Rs. 5 Crore in case of General Areas. In case of North Eastern States including Sikkim and difficult areas including Himalayan States (Himachal Pradesh, J&K and Uttarakhand), State Notified ITDP areas and islands, the said financial assistance is upto 50% of the eligible project cost subject to a maximum of Rs. 5 Crores.

The organizations eligible for financial assistance under this scheme include Central and State PSUs/Joint Ventures/Farmers Producers Organizations (FPOs)/N GOs/Cooperatives/SHG's/Public and Private Companies/Limited Liability Partnerships, corporate entity/ proprietorship firms/Partnership firms.